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Leader of the Opposition

Facing Future Challenges - A Prosperous Australia

(Check against delivery)

INTRODUCTION

For the last eight months, I have emphasised that the Coalition must not only be an effective Opposition that keeps the government accountable, but an effective alternative government.

We are determined to present Australians with a clear, credible, responsible and inspiring alternative well before the next election.

In recent months I have also emphasised five great challenges which Australia needs to face and which our policies will tackle.

These challenges are:

- Ensuring a prosperous future, so the next generation enjoys high living standards and a future filled with the opportunities it deserves.
- Addressing the future of our federation and government, so the three tiers of government work most effectively in the interests of our nation.
- Providing a sustainable future, in which we live on environmental interest rather than capital.
- Delivering a secure future, defending Australia's people, interests and values in the face of uncertainty and against the global threat posed by terrorist extremism.

- Moving forward with confidence and cohesion, clear about who we are and for what we stand as Australians.

In the coming months, I will expand on each of these – taking stock of where Australia is now, where we are going, explaining our approach and also, the principles and values we will bring to government.

Tonight I will discuss the first of these challenges and our approach to building on the Coalition Government's strong economic record, to ensure we deliver a future of prosperity, opportunity and security for Australians.

THE COALITION'S TRACK RECORD

The Liberal and National Parties are very proud of what we achieved in delivering a stronger economy and prosperous Australia.

Our economic record speaks for itself. However, for as long as Mr Rudd and Mr Swan seek to downplay expectations of the future by rewriting the past, we will continue to set the record straight.

Between 1996 and 2007, Australia's economic growth easily outpaced that of Europe, the OECD, the United States and the world's largest developed economies.

Inflation averaged 2.5% – well within the 2–3% target band that we set for the Reserve Bank and half the average rate under the previous Labor government.

Mortgage rates were on average 5.5 percentage points below the average under Labor.

During our time in government 2.2 million more Australians found jobs and unemployment fell to its lowest level since 1974, getting as low as 3.9% in February this year – less than half what it was when we came to government.

Under our watch the number of long-term unemployed – described by Kim Beazley in 1993 as an “almost intractable problem” – fell by nearly two-thirds.

We put the nation's finances on a strong footing, turning around a \$10.1 billion deficit and delivering 10 surpluses in 12 budgets.

Labor's \$96 billion debt has been repaid. As a consequence, we were able to save \$8.8 billion in debt interest a year and bequeathed to the new government a

Future Fund, in which more than \$60 billion had been invested, along with a Higher Education Endowment Fund and a fund to support hospital infrastructure the length and breadth of Australia.

We provided greater reward for hard work and initiative, including the largest tax relief in Australia's history in 2000, followed by further tax relief in the 2003, 2004, 2005, 2006 and 2007 Budgets.

We presided over the lowest levels of industrial disputes in history, with 2006 and 2007 recording the lowest rates of working days lost to strikes on record.

We reformed the waterfront, to improve crane rates by around 60% – a result Labor said could never be achieved.

Whereas Labor used to brag of keeping wages down to curb inflation, under the Coalition real wages increased by 21.5%.

And household wealth more than doubled in real terms. As John Edwards – former Senior Economic Adviser to Prime Minister Keating and now Chief Economist at Hong Kong Shanghai Banking Corporation – noted in 2006: “there hasn't been a decade like it for the past 100 years”.

After nearly 12 years of Coalition Government, business and consumer confidence levels were consistently high and the world was envious.

In recent years the Economist has described our economy as the “wonder down under” and the “envy of western countries”, while the Financial Times concluded “Lucky Australia: The economy receives an almost spotless report card”.

Our economic success did not come easily.

However, tough decisions and disciplined economic management meant Australia rode through economic shocks and turbulence – like the Asian Financial crisis, the tech wreck, the US recession in 2001, the impact of SARS, terrorism, high oil prices and the worst drought in 100 years.

That's why, for four consecutive years, the World Competitiveness Yearbook ranked Australia as the world's single most *resilient* economy.

Economic success will *never* come easily. We know Australia will face further economic turbulence. We know we cannot take our prosperity for granted.

FACTORS INFLUENCING OUR FUTURE PROSPERITY

There are many factors that will influence Australia's future prosperity – some we can fully anticipate, some we cannot anticipate at all.

Tonight, I will briefly discuss four factors that will have a significant bearing on our future prosperity and our approach to each of them. These are:

- Australia's response to climate change.
- Globalisation.
- The ageing population.
- The philosophy, priorities and competence of the Federal Government.

Climate Change

Over 11 years, the Coalition Government committed over \$3.5 billion for practical measures to reduce greenhouse emissions – ranging from the Low Emissions Technology Demonstration Fund, to vouchers for schools to help install solar hot water systems and rain water tanks.

As a direct result of the cumulative actions taken by the Coalition Government, Australia is forecast to save 87 million tonnes of greenhouse gas emissions per year by 2010 and Australia is one of the few countries on track to meet its targets under the Kyoto protocol.

Support for ratification of the Kyoto Protocol was my first action having been elected Leader of the Opposition late last year.

In 2007 we concluded that a market based emissions trading scheme would be appropriate for Australia.

Earlier this month, Professor Ross Garnaut confirmed just how significant the introduction of an emissions trading scheme will be – not only for our environment, but for our economy and for all Australians.

We all agree on the need for environmental action. The issue now, is one of economic competence.

Australians are beginning now to get a glimpse of how much is at stake – for motorists, household budgets, pensioners, businesses, industries and jobs.

For example, the Government's Green Paper predicts that with a relatively low price of carbon – around \$20 a tonne – electricity will be expected to increase by 16%, gas and other fuels would rise by 9% and the CPI would rise 0.9%.

Modelling last week by the Energy Supply Association of Australia confirms that electricity prices could rise by much more – up to 28% – with more realistic carbon prices.

The announcement of an Electricity Sector Adjustment Scheme confirms that the Government is planning for plant closures and job losses in the electricity sector.

The worst consequences for Australia however, could be those unintended consequences, if the government doesn't think this through and get it right.

For example, Australia's highly successful Liquefied Natural Gas (LNG) industry has expressed grave concern they will be a casualty of this hasty change.

For Australia, LNG is an industry worth \$5.2 billion a year in exports – and growing rapidly. For the world, LNG is a critical part of the greenhouse gas solution.

For every tonne of CO₂ Australia emits in making LNG, we enable another country to save around four tonnes of CO₂ emissions through replacing a coal fired power plant.

Because our LNG industry has already worked to reduce its carbon emissions, it will be unlikely to qualify for free permits under the Government's compensation formula for trade exposed industries emitting more than 1,500 tonnes of CO₂ per million dollars of revenue.

As Don Voelte, CEO of Woodside Petroleum recently explained:

“We do not believe we will be included as an emissions-intensive, trade-exposed industry – that we will fall just below the cut-off, which will mean all the worst emitters will be given a free ride, and clean fuels like LNG will have to bear the whole burden”.

Similarly, Belinda Robinson – Chief Executive of the Australian Petroleum Production and Exploration Association – warns:

“Unless LNG receives the treatment it must have, not only is the ability of the industry to grow and invest here...affected, it will also effect our ability to assist the Asia-Pacific region reduce its greenhouse gas emissions for the longer term.”

The government is constantly emphasising the costs of inaction on climate change. The concerns of the LNG industry are one example of why we are right to emphasise the costs of taking the wrong action, with the wrong timetable.

The Coalition believes that we must give the planet the benefit of the doubt and that we must continue to act to reduce emissions, including through the introduction of an emissions trading scheme.

However a Coalition Government will not allow Australia – responsible for just 1.4% of the world’s greenhouse emissions – to be put way out on a limb.

The Coalition will make sure Australia works in sync with the world in terms of the impact of an Emissions Trading Scheme, to ensure we do not put ourselves at such a competitive disadvantage that we sacrifice our prosperity for no environmental gain.

Globalisation

In recent decades, Australia has become far less accustomed to working in isolation. Reforms that have opened up our economy and made us part of a global framework have been significant factors in our economic growth and resilience in the past two decades.

Freer trade has enabled ever increasing export opportunities, along with cheaper imports for Australian consumers and businesses.

Exposure to competition ensures our businesses are competitive and that our consumers get the best value and inflation is kept under control.

Globalisation has delivered cheaper travel, improved communication, smarter and more interesting jobs, better medicine, a world of knowledge and information at our fingertips and technological advances that help businesses grow and make life easier.

This generation of Australians have opportunities of which my grandparents could not have dreamed, with people increasingly able to work where they want

to work, travel where they want to travel and learn from anywhere they want to learn.

Australia cannot retreat from economic reform. We must keep working to ensure our markets are open, competitive and efficient, so as to ensure we bring out the best in our businesses and get the best for consumers.

Whatever rumblings may come from the Bracks motor vehicle review and the textile clothing and footwear industry, Australia cannot afford to turn back and return to protectionism.

While the Doha round of trade negotiations is important, Australia must continue to vigorously pursue bilateral free trade agreements that build on the momentum of the Free Trade Agreements negotiated with the United States, Singapore, Thailand, New Zealand and Chile.

In this century, as the economic benefits of globalisation became more widely understood, Australians have been reminded of the downside of globalisation.

In the same way that we can now more easily access the best things the world has to offer, so we are more readily exposed to the worst.

It used to be said metaphorically, in relation to global finance, that if Wall Street sneezes the world catches a cold.

In this day and age we may need to take that idea more literally.

In 2003, it is believed that something as remote as a virus from a pig in Guangdong province in China could have, in a matter of weeks, resulted in more than 8,000 people in more than 30 countries getting infected with SARS, with more than 800 deaths and an immeasurable economic cost.

To take another tragic example, in 1986, 1987 and 1991 Mukhlas, Hambali and Samudra undertook training in camps established by religious extremists in Afghanistan. In 2002, these three men and others played a key role in murdering 88 Australians in Bali.

Whether we're talking about health or the defence of our nation, we're also talking about our future economy and our need to protect it.

Australia's perspective on globalisation has, by necessity, changed.

Protecting Australians from globalisation no longer means maintaining tariff barriers – as our previous leaders with a protectionist bent may have considered.

Protecting Australians from the downside of globalisation means maintaining the strong focus the Coalition had in Government on tough border protection, customs and quarantine, along with a strong defence force that works to achieve regional stability and works with our allies to face threats where they arise.

A Coalition government will be very proactive, both in getting our share of the economic benefits of globalisation and in defending Australia from the new threats posed by it.

The Ageing Population

The recent 2020 Summit was billed as a forum that would look to the future.

In 2002 and 2007, the Coalition Government looked even further into the future – 40 years into the future – to project the challenges our economy would face and how we would need to prepare for them.

These reports pointed to a substantial challenge with the ageing of our population. By contrast, the 40 page initial report from Mr Rudd's 2020 summit did not mention the ageing population once.

The new government appears to have overlooked the ageing of the population. It is worth reminding them that over the next forty years, it is expected that:

- The proportion of Australians over 65 will double – from 13% to 25%.
- The number of working age people for every person aged over 65 will fall by half – from 5 to 2.4.
- Average annual economic growth (GDP) will fall by a third – from an average of 3% this decade, to 2% in the 2040's.
- The proportion of GDP spent on health and pensions will double, on aged care it will triple and on pharmaceuticals, it will quadruple.

Our ageing population requires a strong focus on ensuring these important services are improved and can be delivered more efficiently and sustainability into the future.

That is one reason why for example, the Coalition is so strong in its support for private health insurance – because it offers choice, enables self reliance and takes pressure off the public system.

That is why we are taking such a strong stand against Labor's short-sighted decision to lift the threshold for the Medicare surcharge – a decision that will drive around one million people out of private health insurance and onto the already overburdened state hospitals.

Preparing for an ageing population requires high workforce participation from able-bodied, working age Australians.

That is one reason why a Coalition Government will continue to be focussed on shifting people from welfare to work and in striving towards full employment.

That is why we are concerned by early indications that the Labor government is backsliding on successful initiatives like welfare to work and work for the dole, while forecasting in their first budget that 134,000 more Australians will be out of work in a year.

Preparing for an ageing population requires us to save for our future.

That is one reason why the Coalition introduced the biggest ever reforms to superannuation, including the removal of taxes on benefits that helped spur a 25% increase in the value of superannuation assets in the year prior to the new system in 2007.

That is one reason why we worked so hard to pay off Labor's \$96 billion government debt and then establish the Future Fund which provided an independently managed *locked box* to provide for the superannuation of our Navy, Army and Air Force personnel and other Australian Government employees. This ensured that these costs are provided for as we go, rather than the bill being passed to the next generation.

We are very concerned that new funds set up in Labor's recent budget – like the Building Australia Fund – could be used as slush funds to buy elections or bail out incompetent State Labor Governments. If funds from a surplus budget are simply transferred to a fund which is then spent, then you're not producing surpluses, but an accounting trick.

The Coalition always has, and always will be, committed to infrastructure that will underpin our economic growth. However it will be funded through the robust budget process, not a slush fund.

An ageing population means it makes sense to encourage those families who can bring up children to do so, so we increase our fertility rate and don't fall down the very steep demographic spiral of some European countries that will, in the decades ahead, face a huge economic burden from collapsing aged dependency ratios.

That is one reason why we introduced measures like the baby bonus in 2004 and will continue to unashamedly bias the tax and benefits system in favour of families with children.

It is why Labor's decision to introduce a means test to the baby bonus and other payments is short sighted.

An ageing population reminds us again why economic growth is so important – it provides the means to deliver the services for which there will be an increased demand in the future.

It is on this score that we have the greatest cause for concern.

The Government

If confidence in our economy was a hallmark of the Coalition government, falling confidence is the defining characteristic of the new government.

Consumer confidence is now down to the lowest level since January 1992, when Australia was barely crawling out of recession.

Business confidence in Australia is now down to the lowest level since June 1991 – when Australia was in Labor's recession.

This collapse in confidence isn't simply a reflection of global factors.

Indeed the Sensis Business Index which specifically measures confidence in government policies records a 53% downturn in confidence between November last year and May this year – the biggest collapse of confidence in a government in the survey's history.

Collapsing confidence is, in part, a reflection on a government that has talked up inflation while breathing new life into it, with a budget that increased net spending and introduced \$19.7 billion in new taxes.

Collapsing confidence is, in part, a reflection on a government focussed on ill-thought through stunts like FuelWatch, rather than substance.

Collapsing confidence is, in part, a reflection on a government that has watched their election promises fall down while simply watching the cost of petrol, groceries and mortgages go up.

Collapsing confidence is, in part, a reflection on a government that has announced over 135 reviews, inquiries and committees as a substitute for real action in tackling the challenges facing Australia.

Collapsing confidence is a reflection on the six fold increase in working days lost to strikes since the election of a Labor government.

It reflects a realisation that with wall-to-wall Labor state governments racking up an extra \$77 billion in debt over the next four years and looking to Canberra for bailouts, the promised end to the blame game might simply amount to co-operative mediocrity.

For Australia's long term prosperity, the philosophy, priorities and competence of the federal government really does matter.

REMEMBERING THE FORGOTTEN PEOPLE

In 1942, Robert Menzies spoke of the forgotten people – the salary earners, skilled artisans, shopkeepers and farmers – those he described as politically and economically belonging to the middle class.

Menzies described the forgotten people are those who are unorganised and unselfconscious, not rich enough to wield power in their own right and too individualistic to be organised for pressure politics.

And yet he observed they are the backbone of the nation.

The next Coalition government will redouble our efforts to encourage and reward the hard work, resilience, aspiration, ingenuity, innovation and enterprise of these everyday Australians.

Australians will have more confidence in our economic future under a Coalition Government, because a Coalition Government will have more confidence in them.

Backing Small Business

Australia's 2 million small businesses truly are the backbone of our economy.

Small business is our biggest employer, employing around 3.8 million Australians. Small business also drives and underpins the economy in terms of national income, employment, investment, exports and use of technology.

Small business is the barometer of our national economic health. And yet, as Menzies observed, individual small businesses don't wield power and don't have the time to organise for pressure politics.

Labor has never truly understood small business. Former Labor Leader Kim Beazley admitted "we have never pretended to be a small business party, the Labor Party, we have never pretended that".

Currently, over 50% of the Ministers in the new Labor government are former union officials – they simply come from a different perspective.

That is why they axed nearly \$1 billion in business assistance programs that encouraged small business innovation and entrepreneurship.

And why they cut the 65 small business field officers established to assist mainly regional SMEs find their way around government.

At the same time, Labor has helped bridge the gap for greater spending in other areas by tax increases on small business, including a \$1.3 billion tax on computer software for businesses.

In my budget reply speech I announced a capital gains tax measure that will provide practical help for many small business men and women.

Specifically, we will reduce the current CGT small business exemption from fifteen to five years.

This will provide tax relief for small business owners who have held an asset for the required time and are now choosing to retire.

It will give a positive incentive to Australians to consider starting a new career as a small business owner later in their work life.

This is the first of many initiatives we will deliver for small business.

We have engaged Henry Ergas to undertake a thorough review of our tax system with a clear view to reducing the overall burden for small business, while reducing duplication and inefficiency in taxes levied by the three tiers of government and reducing the administrative burden on small business.

While it will always be necessary for governments to impose some paperwork burdens on small business, the Coalition will consider ways the government can share that burden. That way, there will always be an incentive for government to understand, review and reduce their imposition.

While WorkChoices is no longer Coalition policy, we remain committed to the core values of industrial relations reforms that delivered record low unemployment of 3.9% in February this year:

- We remain committed to the principle of freedom of association and the freedom to belong, but equally to not belong to a trade union.
- We strongly oppose the abolition of the Australian Building and Construction Commission because we believe that if you remove the ABCC, the bad old days will return to building sites with a vengeance.
- We believe very strongly in exemptions from the job destroying, red tape ridden unfair dismissal laws for small businesses.
- We believe very strongly in individual statutory agreements, supported by a fair no-disadvantage test.

Rewarding Hard Work

The Coalition believes in rewarding the hard work and initiative of all hardworking Australians.

The income tax cuts announced in the Budget were the Coalition tax cuts copied by a “me too” Labor Party under pressure to follow our lead at the last election.

The Labor government has given with one hand and taken with the other – with the imposition of \$19.7 billion new taxes over five years – on cars, alcohol, trucks, resources, software, canteen meals and tourism.

All of these will add to inflation. Excluding the introduction of the GST, last week’s inflation figure was the highest since December 1995 – when Labor was

last in power. One of the standout price increases, directly as a result of the government, was a 6.1% rise in the price of spirits in the June quarter alone, driven by Labor's tax binge on ready to drinks.

It is expected that Labor's tax hikes on cars, travel, transportation by trucks and also, increases in the cost of private health insurance brought on by Mr Rudd's gutting of Australia's private health insurance system, will add further inflationary pressures in coming quarters.

The Treasurer demonstrated his lack of commitment to tax relief in January when he called for an end to the Coalition Government policy of returning excess budget surpluses as tax cuts.

If the Coalition tax relief delivered in this budget reduces inflation by promoting participation, encouraging skill development and keeping wage pressures under control, as Labor claimed to accept, doesn't that argument also apply for future tax relief?

We know that as incomes rise over time and workers move into higher tax brackets, the value of today's income tax cuts will be eroded in the future.

Economists call this "bracket creep". We call it tax increases on the sly. There must be a commitment to future relief.

The Coalition understands that tax relief represents more than money in people's pocket. Enabling people to keep more of *their* money is both right in principle and good for the country, because:

- It promotes independence and self reliance, enabling people to do more for their future, according to their priorities.
- Tax relief stimulates economic growth and jobs, by leaving more money in people's pockets to spend in small businesses that create jobs for Australians.
- Tax relief helps put downward pressure on inflation, by encouraging more people to participate in the workforce thereby boosting capacity, while at the same time reducing some of the demand for higher wages.
- Tax relief rewards hard work and initiative, sending a signal to hardworking Australians that their hard work is valued.

Encouraging Aspiration

In his forgotten people speech, Robert Menzies denounced the class war as a “false war”.

After eight months of the new Labor Government, we are already seeing a gradual squeezing of middle Australia and a subtle return to the politics of envy.

Labor’s first new definition of ‘rich’ was a household income of \$150,000 – the new means test cut off for the baby bonus and Family Tax Benefit (B) in their first budget.

Labor’s next definition of rich was a household income of \$100,000 – the new means test for the \$8,000 rebate for solar panels that cost between \$12,000 and \$20,000.

Now Labor appears to be introducing a new class cut off with its Emissions Trading Scheme. The recent Green Paper indicates that full compensation for the impact of the scheme will only be provided to recipients of government support and what the government refer to as *low* income households.

Minister Wong defined this as the *maximum* rate of Family Tax Benefit (A) – which is \$42,559. Mr Rudd then said it would be *base* rate – which is \$53,000.

Whichever rate it is, Australian households earning more, will be paying more for almost all goods due to Labor’s Emissions Trading Scheme.

Labor’s class envy can be seen in its hostility to those who choose private health insurance or send their children to private schools.

The Government also attacked self funded retirees and their eligibility for the Commonwealth Seniors Health Card.

A social safety net should always be targeted to the needy.

However, to pick and choose winners for compensation and subsidies designed to reward a positive change in behaviour with a shrinking definition of middle Australia, will squeeze middle Australia.

A future Coalition Government will stand up for middle Australia. We will stand up for choice, for incentive and for aspiration.

Improving Education Standards and Opportunity

The workforce of the future depends on the schools of today.

We know that future job prospects depend on the quality of a child's education.

The single most important influence in the life of a child – apart from a parent – is their teacher. However no teacher can teach what he or she does not know and the standard of teacher training in Australia must be improved.

In my Budget reply speech, I set out some policy direction for improved teacher training, including:

- Raising entry scores for teacher training courses at university.
- Requiring science, humanities and social science departments to set and/or accredit relevant course content and assessment in education faculties.
- Teaching all trainee teachers how to teach children to read using proven techniques, including phonics based instruction.
- Teaching and assessing children in basic sciences, mathematics, English and history.
- Requiring university education faculties to appoint high quality classroom teachers to their academic staff as tutors and lecturers.
- Improving pay for the best teachers – as assessed on merit by their peers.

We are also looking very closely at ways to better facilitate successful people who wish to make a mid-career transition into teaching – possibly utilising the many baby-boomer principals that are hitting retirement age.

A Coalition Government will deliver more quality teachers and fewer social engineers.

A Coalition Government will reinstate the Investing in our Schools Program, as one step in tilting the power balance away from clipboard carrying bureaucrats and back towards school communities – those parent groups and principals who know what their school needs better than anyone in a centralised state education department ever can.

As part of our *real* Education Revolution, we will also entrench Australian Technical Colleges – where students can gain trade, entrepreneurial and business skills while undertaking year 11 and 12 education – firmly into the Australian vocational education landscape.

Investing in Australian Innovation

Our future competitiveness depends upon us being smarter than some countries that have advantages over us in other areas.

Without innovation and invention, Australia will fall behind.

That is why the Coalition Government invested \$52 billion in science and innovation. Our major innovation packages – *Backing Australia's Ability* and *Backing our Future through Science and Innovation* – provided broad based support for innovation without much fanfare for the Government.

A contrast in case studies now highlights where Labor's priorities are presently misplaced and where our future priorities should lie.

While he was in Japan, the Prime Minister shoved \$35 million of taxpayer's money at Toyota. This came as a surprise to Toyota, which made a worldwide profit of around \$17 billion profit last year.

In response to this unsolicited \$35 million gift thrown at his company, Toyota President, Katsuaki Watanabe, admitted "we are not sure in what way we would like to use that amount".

Outgoing Labor Senator George Campbell hit the nail on the head and summed up the Rudd Government when he observed:

"The Government have gone for a perception, rather than a reality here and the thing that's disturbing about it is how well thought through was this arrangement with Toyota or was it something that was quickly cobbled together to allow the Prime Minister to make an announcement while he was in Japan. And you have to be concerned that the second may be the case." (SMH, 23 June)

Meanwhile, the Government has axed the *Commercial Ready Program*, which was helping fledgling Australian companies develop technological breakthroughs.

A Coalition Government will not pick winners – and especially not on the basis of who can provide the better photo opportunity.

We will have a broad based, transparent program that helps fledgling Australian innovators – those who may toil away quietly in science labs and sheds and inside business and industries to improve the way things are done – and who need that little bit of help to get their innovation off the ground.

At the same time, we will properly fund our universities and our higher research institutes such as the CSIRO (from which the government ripped \$63.4 million in the most recent budget) and ANSTO (from which the government ripped \$12 million) whose work will benefit all Australians.

OUR COMMITMENT

With more economic uncertainty on the horizon, Australians are counting on this Labor Government to lift its game.

Australia needs a government that is less focussed on spin and stunts and more on substance.

Australia needs a government that thinks things through and works to a long term plan.

Australia needs a government that instead of blaming others, takes responsibility for managing our economy.

Australia needs a government that keeps union bosses in check and state Labor governments accountable.

If Labor can't lift its game and build our future prosperity, the Coalition will be ready to lead. We will have a clear plan to tackle our future challenges.

We will build our future prosperity by encouraging, rewarding and investing in the hard work, enterprise, aspiration, innovation, and future potential of everyday Australians.

In doing so, we will remember an important lessons of Sir Robert Menzies.

A Coalition Government will always reject the class war as a false war.

And we will always remember the forgotten people.